

Minutes of the Personnel Committee

Tuesday, March 20, 2012

Chair Paulson called the meeting to order at 1:00 p.m.

Present: Supervisors Duane Paulson, Pete Gundrum, Gilbert Yerke, Dan Draeger, Jim Heinrich, Paul Decker, and Steve Wimmer. Gundrum left the meeting at 2:40 p.m.

Also Present: Chief of Staff Mark Mader, County Clerk Kathy Nickolaus, Internal Audit Manager Lori Schubert, Senior Financial Analyst Bill Duckwitz, Employee Benefits Administrator Pete Hans, Principal Risk Management Analyst Mark Jatczak, Risk/Purchasing Manager Laura Stauffer, Human Resources Manager Jim Richter, and Principal Human Resources Analyst Terri Sgarlata-Lutz. Recorded by Mary Pedersen, County Board Office.

Approve Minutes of 2-21-12

MOTION: Heinrich moved, second by Decker to approve the minutes of February 21. Motion carried 7-0.

Chair's Executive Committee Report of 3-19-12

Paulson said the Executive Committee, at their last meeting, approved two ordinances that were included in the last set of County Board referrals, and heard a detailed report on Information Technology projects for 2010-2013.

Schedule Next Meeting Dates

- April 3

Motion to Allow Secretary Yerke to Approve the Final Set(s) of Committee Minutes on Behalf of the Committee

MOTION: Wimmer moved, second by Draeger to allow Secretary Yerke to approve the final set(s) of Committee minutes on behalf of the Committee. Motion carried 7-0.

Review Operational Audit of the County Clerk's Office – January, 2012

Schubert and Nickolaus were present to discuss this item. Schubert said the scope of this audit did not include election activity, except for the Statewide Voter Registration System (SVRS), as this was done last year. The report contains nine recommendations intended to significantly improve the efficiency of operations and reduce the risk of errors occurring and not being detected in a timely manner. The recommendations include the following: 1) improve SVRS memorandum of understanding (MOU); 2) improve municipal billing procedures; 3) eliminate marriage license database shared log-in; 4) reconcile general ledger accounts – dog licenses; 5) improve efficiency of dog license related excel files; 6) modify municipal worksheets for dog licenses; 7) improve controls over dog license tags; 8) strengthen process of publishing enrolled ordinances; and 9) improve reconciliation of vehicle listings. Schubert and Nickolaus discussed each of the recommendations and management responses. Nickolaus did not voice any objections and said she has complied/implemented each recommendation.

2011 Annual Report of the County Clerk's Office

Nickolaus reviewed her annual report as outlined. In 2011, \$252,852 in fees were collected, an increase of \$4,596 from 2010. A total of 1,715 marriage licenses were issued, a decrease of 97. There were 14 Declaration of Domestic Partnerships issued, an increase of three. A total of \$48,725 was collected in passport fees, an increase of \$10,325. Fees from local municipalities and school districts for ballot cost

and statewide voter registration totaled \$52,760, a decrease of \$17,543. Other miscellaneous income (e.g., public official directories, photocopies/electronic data, garnishment fees, notary fees) totaled \$1,609 in 2011, an increase of \$32. The total amount collected on this tax roll for dog licenses was \$107,109, a decrease of \$5,454. Some of the revenues listed above are shared with the State and the County's Family Court Counseling Division.

MOTION: Heinrich moved, second by Wimmer to accept the 2011 Annual Report of the County Clerk's Office. Motion carried 7-0.

Discuss Recall Expenses

Nickolaus said the recall elections will be held on May 8 (Fitzgerald) and June 5 (Walker and Kleefisch). These extra costs were not budgeted. In late summer, an ordinance will come forward for a contingency fund transfer estimated at \$160,000 to \$210,000. These costs include ballots, supplies, advertising notices, extra help, additional media for equipment, etc.

Overview of Group Dental Insurance Plan Request for Proposal (RFP)

Hans said the Human Resources Division will be conducting an RFP for the County's group dental insurance program. The County currently offers a self-funded fee-for-service dental plan administered by The Guardian and a fully insured dental health maintenance organization (DHMO) insured by Anthem Blue Cross and Blue Shield. The evaluation for the fee-for-service dental plan will focus on claims processing capabilities, plan design capabilities, employee communications, customer service, billing and membership administration and experience in the dental insurance field. They will also evaluate the impact of implementing a "blind PPO" concept. The evaluation of the DHMO dental plan will address the same criteria as the fee-for-service plan. In addition, attention will be focused on provider networks, negotiated price discounts, and plan design flexibility.

The County has entered into an agreement with Willis of Wisconsin, Inc. to assist staff in the evaluation process. Willis will conduct a complete RFP and market study to include the following: 1) develop the RFP document and vendor questionnaires; 2) identify dental insurance carriers and HMO's; 3) assist in the analysis of proposals and interview questions; 4) re-price claims to arrive at network advantages of vendors; 5) evaluate dental provider networks; and 6) participate in various County meetings specific to this project.

An employee advisory committee has been assembled, comprised of employees from both former and existing collective bargaining groups and the non-represented employee group. This committee will be invited to certain meetings and interviews and will be encouraged to provide feedback.

To answer Draeger's question, Hans said their timetable has slipped somewhat as it is taking time to get the necessary data from our current two carriers. He anticipates the process will be complete in two to three months but definitely before the budget.

Gundrum left the meeting at 2:15 p.m.

Year-end Report on Workers Compensation Claims

Jatzak distributed copies of "Waukesha County Workers Compensation 2007-2011 Claims History Summary. In 2011, a total of 109 claims were opened and by the end of 2011, 43 of those claims remained open. The total incurred for 2011 claims was \$699,463. Since 2007, 584 claims have opened, 63 remained open at the end of 2011, and the total incurred was \$4,576,800. Jatzak went on to highlight some of the larger claims that have opened and closed.

MOTION: Yerke moved, second by Decker to accept the year-end report on workers compensation claims. Motion carried 6-0.

Ordinance 166-O-114: Approve Changes To The Disability Pay Program And Other Benefits And Policies For County Employees

Richter and Stauffer were present to discuss this ordinance which makes three policy changes for all County employees except WPPA represented members. Richter said they have been evaluating the County's policies and procedures for potential revisions since Act 10 was enacted at the State level.

Gundrum returned at 2:21 p.m.

Richter said effective June 30, 2012 the workers compensation supplement (disability pay) will be discontinued. The amount paid under this program varies widely year to year but based on the experience of the past few years, the 2012 second half savings is estimated at \$10,000. The ongoing annual impact is estimated at a favorable \$20,000. Effective upon passage of this ordinance, newly non-represented employees previously covered by collective bargaining agreements and employees represented by Teamsters Local 200 will be allowed to carry over up to 40 hours of unused vacation time from one year to the next. The fiscal impact of this change is expected to be negligible. Also effective upon passage, newly non-represented employees previously covered by collective bargaining agreements and employees represented by Teamsters Local 200 will be allowed to defer enrollment into the County retiree health insurance plan for up to five years following retirement. Because retirees pay the full premium for this plan, there is no fiscal impact associated with this change.

Heinrich had concerns that this applies to the Teamsters Local 200 and thought because they recertified as a union, they should be treated differently than the non-represented employees. Richter noted the Teamsters employees can no longer negotiate for this benefit or other benefits in accordance with Act 10. They can only negotiate for base wage and even this is capped. Draeger disagreed with Heinrich and felt all employees should be treated fairly. Heinrich said not all benefits have to be given to all employees. Wimmer said the benefit of recertification is very minimal. Paulson reiterated that they cannot negotiate benefits, only wages.

MOTION: Decker moved, second by Draeger to approve Ordinance 166-O-114. Motion carried 6-0.

Gundrum left the meeting at 2:40 p.m.

Annual Report on Performance Evaluations and Rewards

Sgarlata-Lutz distributed copies of "Performance Awards Based on 2008 Through 2011 Performance." She noted that departments are very consistent year-to-year on how they administer the program and give out awards. The total possible cost if everyone received maximum base and non-base awards in 2011 would have been \$1,008,306 compared to \$1,062,601 in 2010. The total actual cost for base and non-base awards in 2011 was \$593,211 compared to \$581,073 in 2010. In 2011, 280 employees received a non-base accumulating performance award totaling \$410,286. This compares to 280 and \$400,103 respectively in 2010. In 2011, 149 employees were given performance awards added to base salaries for a total of \$182,925. This compares to 154 and \$180,970 respectively in 2010. Staff went on to review the summary of performance evaluation ratings for 2011 for the 1,294 County employees and also for just the 426 non-represented employees. Thirty seven employees were at maximum salary and were not eligible for base merit awards. Represented and formerly represented employees are not eligible for performance awards.

MOTION: Wimmer moved, second by Decker to accept the report on performance evaluations and rewards. Motion carried 6-0.

Discuss Proposed Non Represented Compensation Study

Richter indicated they are conducting an RFP process to hire a consultant to do a non- represented compensation study. There are 335 employees in this system plus another 700 that are now non-represented. It will examine the total compensation package for these employees versus other public employees and those in the private sector. Richter noted now is the time to tackle this project. Every county/municipality is dealing with this issue due to Act 10. It's a large project that will be done in phases. The first phase/priority will be an analysis of the total compensation package compared to the market and second, our pay policy and how our salary system should be structured. Eventually, job evaluations will be done for the newly non-represented employees. The last time this was reviewed was about ten years ago but no real changes were made due to collective bargaining constraints. Richter said for example, we do not need 22 different clerical classifications. Around 2001 there were only eight. Many things have changed over the years: technology, workloads, reorganized County departments, etc. From a workload and cost perspective, this will not be done until around 2013. The other jobs such as social workers, sanitarians, some parks jobs, etc. will be examined later this year internally. A steering committee will also look into the possibility of expanding pay-for-performance to the newly non-represented employees.

Review and Approve Revisions to the Salary Section of the Personnel Policies and Procedures — Salary Administration

This item was heldover at the last meeting to allow for further analysis by Committee members. After a few questions from Yerke and Decker for clarification purposes, the following motion was made.

MOTION: Draeger moved, second by Wimmer to approve revisions to the Salary section of the Personnel Policies and Procedures as presented at the February 21, 2012 Personnel Committee meeting. Motion carried 6-0.

Closed Session

MOTION: Wimmer moved, second by Decker to go into closed session at 3:30 p.m. in accordance with Section 19.85 (1)(e) Wis. Stats. for the purpose of discussing collective bargaining issues, and to approve the closed session minutes of previous meeting(s). Motion carried 6-0.

MOTION: Decker moved, second by Draeger to return to open session at 3:41 p.m. Motion carried 6-0.

MOTION: Draeger moved, second by Yerke to adjourn at 3:41 p.m. Motion carried 6-0.

Respectfully submitted,

Gilbert W. Yerke
Secretary